EUROPE'S ABSORPTION OF GOLD.

A further shipment of gold to Europe, amounting to $700,000, was made early last week, bringing the total for the fortnight up to $2,000,000. It is announced that the ultimate destination of the metal is Russia, although it goes in the first instance to Germany, or possibly it may replace in Germany an equal amount previously sent from that country to Russia. How many more millions of gold Russia has absorbed in this way during the past five years, and how much of it has been furnished by the United States, it is impossible to say exactly, but of the $250,000,000 more than our receipts which we have sent abroad since Jan. 1, 1891, it is probable that nearly the whole has been divided between Russia and Austria. At all events, the Russian Government is credited with now having in its treasury $400,000,000 of gold, and the Austrian with $160,000,000, which is much more than either of them possessed in 1891, the stocks in London, Paris, and Berlin having in the same interval increased likewise.

The purpose of the Russian Government in accumulating this large store of gold has all along been assumed to be of a military nature. In the event of a war with any of the other great European powers, making the negotiation of a loan difficult, the possession of these hundreds of millions in gold would be very desirable. The recent announcement, however, that Russia has been putting its gold into the shape of coin, with the view of substituting it for the irredeemable paper money of the empire now in circulation, furnishes another explanation of the matter. According to this announcement, gold to the value of 750,000,000 roubles, worth in our money $375,000,000, or 50 cents to the rouble, has been coined in pieces of ten roubles each, and is now ready to be issued. This involves a reduction of one-third in the former metallic value of the ruble, but it represents very nearly the actual gold value of the paper it is intended to replace.

In the case of Austria the accumulation of gold has been more distinctly and avowedly for the purpose of resuming, on a gold basis, the specie payments which were suspended in 1848, and which, in consequence of the wars in which Austria has been involved, have been suspended ever since. The decrees providing for the redemption were issued in August, 1892, and, at the latest accounts, the gold coined under them had reached the amount of $100,000,000, so that, from day to day, now, notice is expected from the Government of its readiness to redeem with it the empire's outstanding paper money. Like Russia, too, Austria is to resume, not in coin of the former metallic value, but in new coin representing as nearly as possible the gold value of the paper in circulation. And as Russia has definitely abandoned the old silver rouble, so has Austria abandoned the silver standard, and for each silver florin, formerly worth 50 cents in gold, she will substitute two "crowns," worth 20 cents each in gold.

It will be interesting to observe the effect which this resumption of specie payments in gold by Russia and by Austria will have, when it takes place, upon the currency of other civilized nations. Presumably both countries will now cease to absorb gold, at least to any great amount, and, moreover, by holding themselves ready to pay it on demand to all applicants, they may, in the vicissitudes of trade, be compelled at times to return to the general stock some portion of what they have lately been accumulating. In fact, gold payable on demand by a Government, or by a bank, is virtually the property of the whole world. Any person who can offer in exchange for it other valuable articles can get it at pleasure, and carry it away to points where it is wanted.

It is an axiom of political economy that the mass of commodities in existence at any given time, taken as a whole, tends to rise in price with the increase of the mass of money against which it is exchangeable, and to fall with its decrease. For, money being itself a commodity, and differing from other commodities only in its universal exchangeability, any increase in its supply, as compared with a fixed amount of another commodity, must lower its own exchange value, and any decrease must correspondingly raise that value. A small number of theorists dispute this axiom, but they limit their reasoning exclusively to metallic and paper money, disregarding the immensely greater quantity of credit money, which, for purposes of trade, is the same as coin and notes. The seller of merchandise, stocks, or real estate accepts in payment, in ordinary times, a check on a solvent bank as willingly as he does currency, and, indeed, he usually prefers the check to the currency because of its greater safety and convenience. Among buyers competing for the same article, those who have their money on deposit in banks stand in precisely the same footing as those who have it in their pockets or in their safes. The result is that fully ninety-five per cent. of the money that changes hands daily in this city and in the other business centres of the country is in the shape of bank credits, and is transferred by checks. Hence to argue that because an increase in the mere coin and paper currency of the world does not, to a corresponding extent, raise prices, there is no relation between the mass of money and the prices of merchandise, is to argue on insufficient premises. Besides, when the increase of the total amount of both currency and credit is equalled or exceeded by an increase in the supply of any particular article of merchandise or property, the tendency to a rise in the price of that article is counteracted.

Nevertheless, since both bank credits and paper currency are promises to pay metal, the fulfilment of which is liable, at times, to be extensively required, their volume is more or less limited by the amount of metal money available. Hence the reserves which banks keep for the payment of their depositors, and which banks and governments issuing paper currency keep for the redemption of that currency when its redemption is demanded. Usually a reserve of one-fourth or less is assumed to be sufficient for deposits in our banks, and the United States Government has at present in gold one-third of the amount of its outstanding demand notes; its 500,000,000 of gold and bullion being about $127,000,000, and its notes, exclusive of those in its own possession, amounting to about $330,000,000. The Bank of England keeps for its circulating notes, except for about $75,000,000 secured by Government loans, a reserve of 100 per cent. in gold, and for its deposits it has at this moment one of 50 per cent. The Bank of France has for its notes and its deposits together a reserve of 45 per cent. in gold, besides 25 per cent. in silver. The Imperial Bank of Germany carries in coin and bullion nearly 100 per cent. of its outstanding notes, and nearly 50 per cent. of its notes and deposits together. When the Austrian Government resumes specie payments it expects to have on hand gold to an amount equalling its outstanding notes. The banks of Great Britain, other than the Bank of England, very few of which issue circulating notes, are content to carry against their deposits reserves of 10 per cent. at most, relying upon the Bank of England for help in times of trouble.

Hence, any increase in the amount of metal used as money permits an increase of the volume of credits, and thus tends to raise the general level of the prices of commodities. Upon this fact is founded much of the reasoning of the European bimetallists in favor of according to silver the privilege of unlimited coinage. They say that, adding it to gold and using it concurrently with gold as the foundation of credit money, or, as our silverites phrase it, making it equally with gold "money of ultimate redemption," would immensely increase the volume of money available for purchases and thus raise prices. Their error lies in assuming that both metals can be thus combined together so as to form a homogeneous unit. Their exchange value as money is fixed by their exchange value as metal, and, as this value varies, in each, with the quantity of it in market, one is at one time more valuable as money than the other, and the other is the more valuable at another time, under the free coinage of both, to be discarded from use as money. This has happened again and again in France, which is so triumphantly pointed to as an example of what bimetallism can accomplish, and one of the most prominent advocates of this bimetallism, Francis A. Walker, in his latest pamphlet on the subject says: "We flatly deny that bimetallism necessarily involves the concurrent circulation of the two metals;" and, "If it results only in establishing an alternating circulation the chief results of bimetallism will be achieved as they were by the action of France."

On the other hand, gold monometallists are somewhat embarrassed to explain why, with the enormous apparent increase of the production of gold during the past few years in Africa and in the United States, raising the world's annual product from $130,000,000 in 1891 to $200,000,000 in 1895, and the total product for the five years to $815,000,000, the prices of staple commodities have failed to advance in any marked degree. The answer is partially accounted for by the increased consumption of gold for decorative and manufacturing purposes, which in the United States alone has been in some recent years as much as $15,000,000 and has rarely fallen below $10,000,000. For the whole world the most moderate experts estimate it at $60,000,000 per year and some put it at a higher figure. Still, at $60,000,000 per year it would amount for five years past to but $300,000,000, leaving $515,000,000 to be added to the world's stock. Considering that a gross total production of $1,233,000 in the ten years from 1850 to 1860, when the California and Australia mines were most fruitful, led to a marked rise in prices, this net addition of $515,000,000 in the last five years ought to have been effective in the same manner, and probably it would have been thus effective but for the interference of Russia and Austria. That interference having now come to an end, the continued increase in the yield of gold should legitimately lead to a fall in its purchasing power, just as stopping the absorption of silver by our Government in 1893 led to a fall in the purchasing power of that metal. The British bimetallists, in the face of the repeal of the Sherman act, insist that it was the closing of the India mints in 1893 which caused its decline, but this is untrue. As soon as our Government, in 1893, ceased to obstruct the natural course of trade, silver, under the influence of a steadily increasing supply, fell in exchange value, and now that Russia and Austria have ceased to interfere with the natural distribution of gold its purchasing power ought also to diminish, or, what is the same thing, the gold prices of commodities ought to rise. Silver has already risen, and, unless some fresh disturbing cause, such as the stoppage by war of South African gold mining, comes in to prevent it, other commodities will rise also.

MATTHEW MARSHALL.

FINANCIAL AND COMMERCIAL.

New York Stock Exchange—Sales and Range of Prices on All Securities Dealt in During the Week Ending April 18, 1896.

UNITED STATES AND STATE BONDS (IN $1,000s).

Sales.	Name.	Open-ing.	High-est.	Low-est.	Clos-ing.
28000	U S 4s, r, 1907	[illegible]	[illegible]	[illegible]	[illegible]
38000	U S 4s, c, 1907	[illegible]	[illegible]	[illegible]	[illegible]
457000	U S 4s, c, 1925	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

RAILROAD AND OTHER BONDS (IN $1,000s).

Sales.	Name.	Open-ing.	High-est.	Low-est.	Clos-ing.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Total sales of railway bonds (par value), [illegible]

RAILWAY AND OTHER SHARES.

Sales.	Name.	Open-ing.	High-est.	Low-est.	Clos-ing.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

*Ex dividend and ex rights. †Ex dividend.

Total sales, [illegible] shares.

BANK STOCKS.

Sales.	Name.	Open-ing.	High-est.	Low-est.	Clos-ing.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

SUNDAY, April 19.

The Treasury balance at the close of business on Saturday was [illegible], of which [illegible] was in gold coin and bullion. The national bank notes received for redemption during the week [illegible]. National bank circulation outstanding at the close of business on Saturday was [illegible], balance of deposits for the week of [illegible], balance of deposits to redeem national bank notes, [illegible], a decrease for the week of $53,591.

The imports of general merchandise, including dry goods, at the port of New York last week were $9,913,831, against $9,215,755 the previous week, and $10,681,057 for the corresponding week of last year. The imports of specie for the week were $92,054, of which $37,244 was gold, making total specie imported since Jan. 1 $18,766,870. Exports of specie were: Gold, $1,072,600, and silver, $880,090, a total of $1,952,600, against $2,605,608 the previous week. The exports of specie since Jan. 1 have been: Gold, $16,028,565, and silver, $16,222,138, a total of $32,250,703.

The weekly statement of averages of the Clearing House banks shows:

	April 11.	April 18.	Changes.
Loans	$465,612,400	$466,219,800	Inc. $607,400
Deposits	483,151,400	484,057,000	Inc. 905,600
Circulation	14,341,800	14,351,600	Inc. 10,600
Leg'l T'd'rs	79,884,100	80,524,200	Inc. 640,100
Specie	58,835,000	58,629,400	Dec. 205,600
Rese've	$138,719,100	$139,153,600	Inc. $434,500
R's've r'd	120,787,850	121,014,250	Inc. 226,400
Surp'us	$17,931,250	$18,139,350	Inc. $208,100

The surplus a year ago was $19,064,975, and two years ago $82,008,025.

The Reorganization Committee of the Syracuse Street Railway Company has extended the time for the deposit of securities with the Guaranty Trust Company under the plan of reorganization until April 27, without penalty, after which date deposits will be accepted, if at all, on terms to be announced. The committee controls a large majority of the bonds.

BANKING AND FINANCIAL.

MARRIED.

PULSFORD—POST.—On Wednesday, April 15, 1896, at Christ Church, Elizabeth, N. J., Lilian de Peyster, daughter of the Rev. Richard Bayley Post, to John Arthur Pulsford.

DIED.

ABEEL.—On Sunday morning, April 19, 1896, John H. Abeel, in the 81st year of his age. Friends of the family are invited to attend the funeral from his late residence, 17 St av., on Wednesday, April 22, at 10 o'clock A. M.

DONOVAN.—At her residence, 1,368 Madison av., Ann Donovan, widow of Michael Donovan. Requiem mass at St. Cecilia's Church, East 106th st., on Tuesday morning at 11 o'clock. Interment in Calvary Cemetery.

DONNELLY.—On Saturday, April 18, at St. Vincent's Hospital, Lawrence Francis Donnelly, aged 28 years. Funeral from his late residence, 242 East 89th st., Tuesday, April 21, at 9 A. M.; thence to the Church of St. Paul the Apostle, corner 60th st. and Columbus av., where a solemn requiem mass will be offered for the repose of his soul.

EUSTACE.—At the residence of his mother, 539 East 86th st., John F. Eustace, late receiving teller of Emigrant Industrial Savings Bank. Notice of funeral hereafter.

KENT.—On Saturday, April 18, Andrew Wesley Kent, in the 45th year of his age. Funeral services at his late residence, 128 West 59th st., at 9:30 A. M. Monday, April 20. It is requested that no flowers be sent.

LUNDIE.—On April 18, of pneumonia, Samuel Wilson Lundie, of New York city, son of the late Wm. B. and Emma J. Lundie, aged 24 years. Funeral services from residence of his uncle, Nathaniel Lundie, 399 Union st., town of Union, N. J., Tuesday, April 21, 1896, at 2 P. M. Friends respectfully invited.

MITCHELL.—At his residence, 46 East av., Long Island City, April 19, 1896, John J. Mitchell, ex-Sheriff of Queens county. Funeral at St. Mary's Church, Long Island City, Wednesday, April 22, at 10 A. M. Friends of his brothers, the Rev. J. H. Mitchell and M. T. Mitchell, are invited to the obsequies. Interment in Holy Cross Cemetery. Please omit flowers. Relatives and friends and members of John J. Mitchell Lodge, No. 338, A. O. U. W., are respectfully invited to attend funeral.

RICHARD HARDROVE, Secretary.
TERRENCE MORRIS, Master Workman.

POPE.—At a regular meeting of the Board of Directors of the American Tobacco Company held at its offices in New York city on April 15, 1896, the following resolutions were unanimously adopted:

Resolved, That in the death of Mr. John Pope, who was a director and Vice-President of this company from its organization to his death, the company has lost an able and faithful officer, the directors a conservative and prudent associate, his family a devoted member, and the community in which he lived a useful and generous citizen; that though Mr. Pope possessed rare business qualifications and commanded the confidence of those with whom he dealt, his most shining qualities were his gentleness with his companions, his generous sympathy with the afflicted, and his unostentatious charity to the needy; thinking no evil of others, he lived and died with the confidence of all, respected for his integrity and loved for his kindliness.

Resolved, That these resolutions be spread upon the minutes, and that copies be published in the newspapers of New York city and Richmond, Va., and an engrossed copy be sent to the family of Mr. Pope.

JAMES B. DUKE, President.
JOSIAH BROWNE, Secretary.

STEERS.—Suddenly, at his residence, 143 East 35th st., April 17, 1896, James Rich Steers, in the 88th year of his age. Funeral services at Trinity Chapel, 25th st., near Broadway, on Monday, the 20th inst., at 10 o'clock A. M. Please omit flowers.

VAISSIER.—On April 18, Maro Vaissier, in his 56th year. His friends, members of the New York Stock Exchange, and Lotus Club are invited to attend his funeral services at St. Vincent de Paul Church, 23d st., near 6th av., on Tuesday, April 21, at 9 o'clock.

Special Notices.

NOTICE TO THE OWNERS OF DOGS. —LICENSE.

Dog Licenses or Renewals for 1896 are now ready for issue and may be had at the Headquarters of the American Society for the Prevention of Cruelty to Animals, 10 East 22d st., New York.

Original licenses or renewals for 1895 must be presented at the time of applying for renewals for 1896. Licenses issued for year ending April 30, 1896, are void on and after that date.

Dogs not licensed pursuant to law prior to the 1st day of May, 1896, will be seized and taken to the Shelter for Animals, 102d st. and East River.

Every person who does not procure a license or who fails to comply with the law is liable to pay a fine of Ten Dollars.

A reward of Twenty-five dollars will be paid for the arrest and conviction of any person found stealing a dog bearing a license tag of the above named society, in the city of New York.

JOHN P. HAINES, President.

NEW YORK, April 20, 1896.

Financial.

Elections and Meetings.

DELAWARE AND HUDSON CANAL COMPANY—NEW YORK, April 10th, 1896.—The annual meeting of the stockholders of this company will be held at the office of the company, in the city of New York, on Tuesday, the 12th day of May next, for the election of Managers and for other business.

The polls will open at 12 o'clock noon, and remain open for one hour. The transfer books will be closed from the close of business Saturday, May 2d, until the morning of Wednesday, May 13th.

By order of the Board of Managers.

F. M. OLYPHANT, Secretary.

THE annual meeting of the stockholders of the Groton High Duty Pumping Engine Company will be held at the office, 1 [illegible] New York city, on [illegible], for the election of directors for the ensuing year and transacting such other business as may come before the meeting.

FRANK BADOLEY, Secretary.